

Retail trade is the sale and distribution of merchandise to consumers through either a store location or non-store location such as internet, phone, catalog or advertising.

Retail trade is one of the key economic indicators of regional economies. The retail strength of a county is a function of customer base served, the buying power of the customer base and quality of the retail environment. Retail pull factor measures the retail sales captured by a county across Missouri.

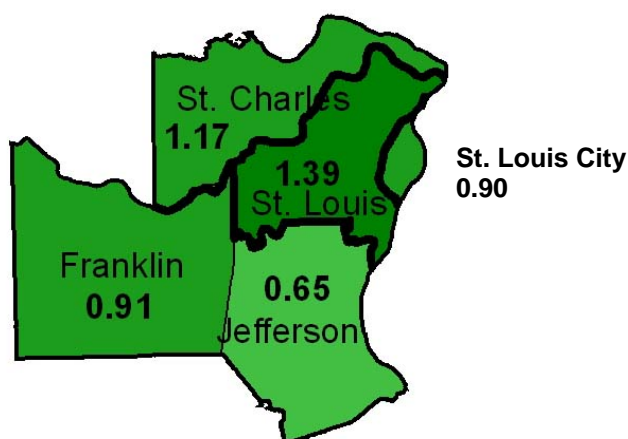
In 2007, two counties in the St Louis Region Workforce Investment Area had a retail trade pull factor greater than 1 indicating either a gain in customers from other counties or that residents spent more than the state average. On the contrary, three counties had a pull factor below 1 indicating residents either spent less than their state counterparts or residents purchased more goods outside their county.

- Apparel and Accessories
- Automotive dealers
- Gasoline service stations
- Building materials,
- Hardware and garden supplies
- Eating and Drinking Places
- Home furniture and furnishings
- Food
- General Merchandise
- Miscellaneous retail

111,680

4,768

\$25,008



RETAIL TRADE ANALYSIS

Retail trade has been particularly strong in major metropolitan counties and counties along major interstate highways. St. Louis County had the highest pull factor (1.39), followed by St. Charles (1.17).

Conversely, three counties lost retail customers. The counties that lost customers or spent less than the state average were located in the major metropolitan and surrounding counties. Jefferson County had the lowest pull factor (0.65), followed by St. Louis City (0.90) and Franklin (0.91).

St. Louis County captured the most retail sales and gained the most retail customers, besides holding the highest market share. Overall, retail customers in St. Louis region spent more than \$18 billion in retail purchases in 2007, capturing nearly 40% of the market share in Missouri. The retail sales pull factor rankings for the counties in St. Louis region are as follows:

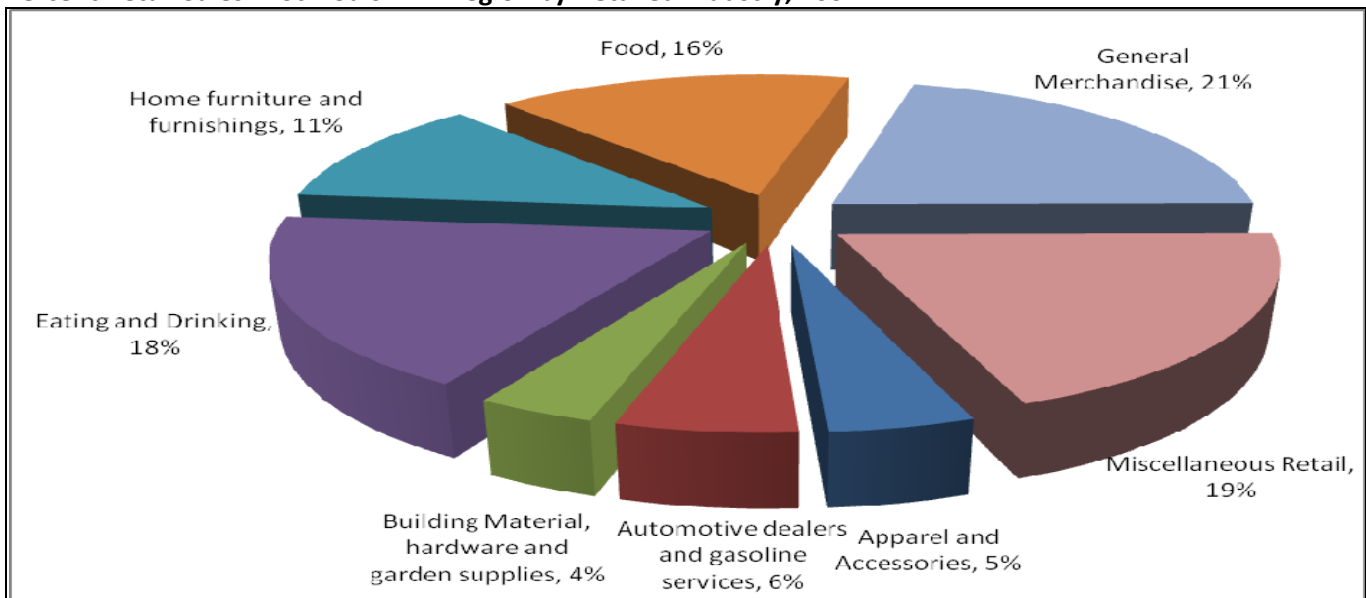
Retail Sales, Pull Factor, Trade Area Capture (TAC) and Market Share (MS) – St Louis WIA Region, 2007

COUNTY	CTPF	TAC	MS	RETAIL SALES
ST LOUIS COUNTY	1.39	1,369,758	23.67%	10,683,247,675
ST CHARLES COUNTY	1.17	400,407	6.92%	3,122,921,863
FRANKLIN COUNTY	0.91	89,904	1.55%	701,191,442
ST LOUIS CITY	0.90	312,271	5.40%	2,435,517,779
JEFFERSON COUNTY	0.65	140,173	2.42%	1,093,257,332
St Louis Region WIA Total		2,312,513	39.95%	18,036,136,090

RETAIL TRADE ANALYSIS

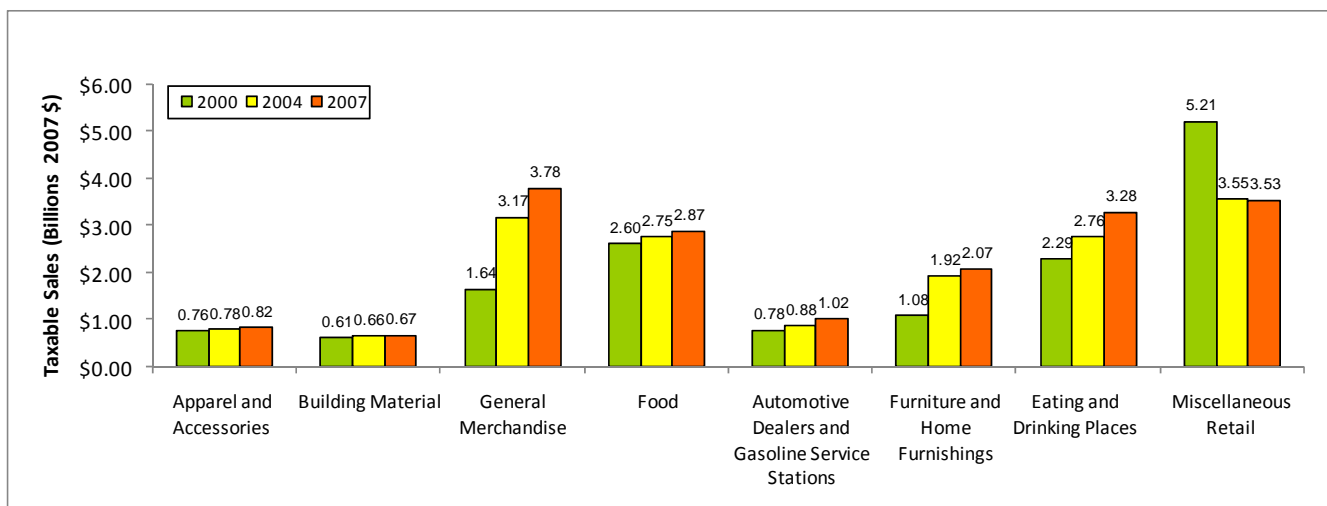
In 2007, in terms of percentage of retail sales by industry, a majority of retail sales were in the general merchandise sector (21%), followed by miscellaneous retail (19%), eating and drinking (18%), food (16%), and furniture (11%). Building materials, automotive dealers and apparel accounted for the balance of retail sales (15%) in the St. Louis region.

Percent Retail Sales in St. Louis WIA Region by Detailed Industry, 2007



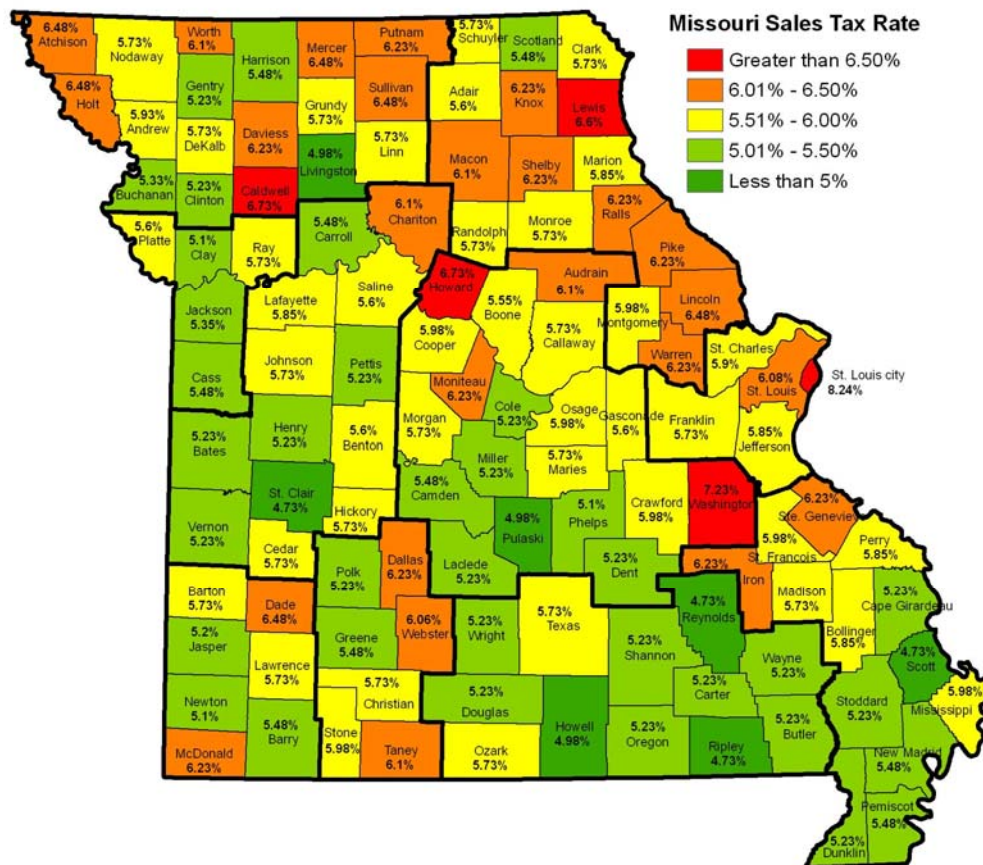
In terms of retail sales trends, the greatest increase in seven years was in general merchandise, and the steepest decline was in miscellaneous retail sectors. Consumer spending on apparel, building materials, food, automotive, food away from home, and furniture increased over the years.

Comparison of Taxable Sales by Detailed Industry in St. Louis WIA Region, 2000, 2004 and 2007



RETAIL TRADE ANALYSIS

Missouri Sales Tax Rates



The map above presents the combined state and county sales tax rate excluding the local sales taxes. Sales tax rates in Missouri range from 4.73% to 8.24%. Within the St. Louis region, St. Louis City has the highest sales tax rate (8.24%) followed by St. Louis County (6.08%) and St. Charles (5.90%).

COUNTY	SALES TAX
ST LOUIS CITY	8.24%
ST LOUIS COUNTY	6.08%
ST CHARLES	5.90%
JEFFERSON	5.85%
FRANKLIN	5.73%

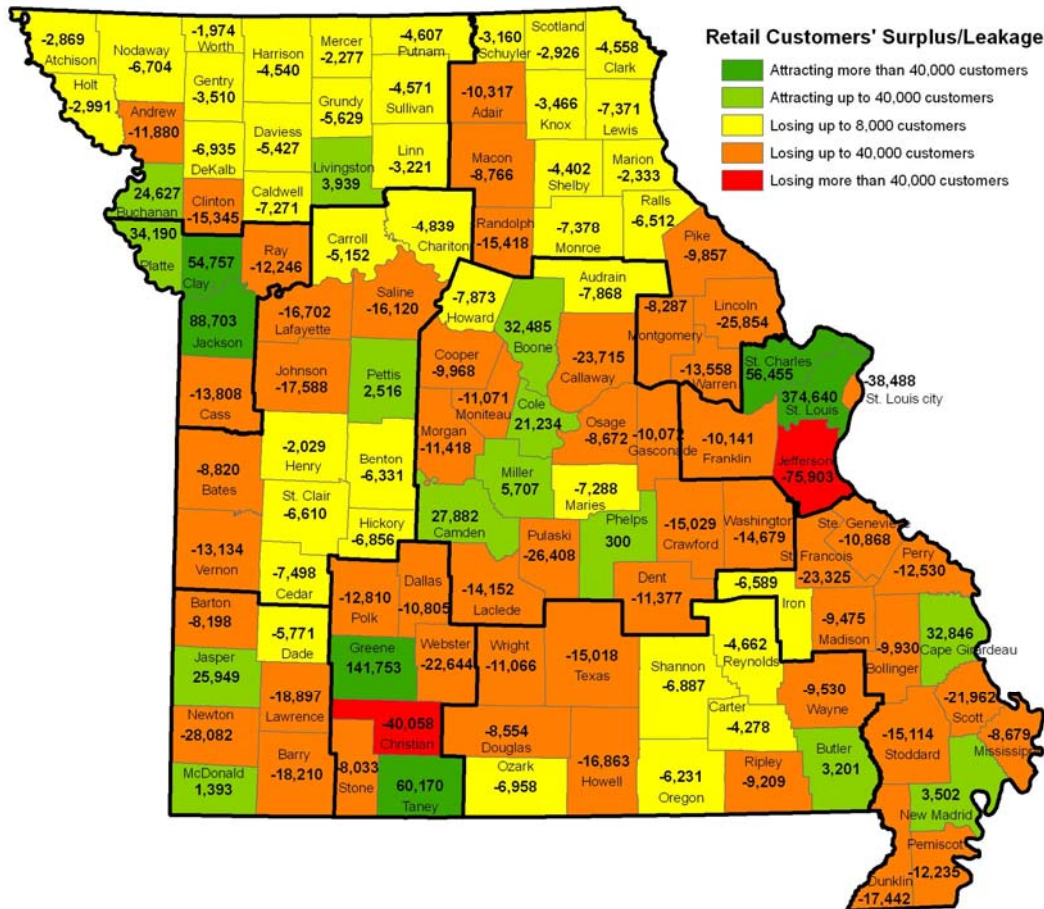
Missouri Department of Revenue – Sales Tax Rate Tables

On the contrary, Franklin County has the lowest sales tax rate (5.73%), followed by Jefferson (5.85%).

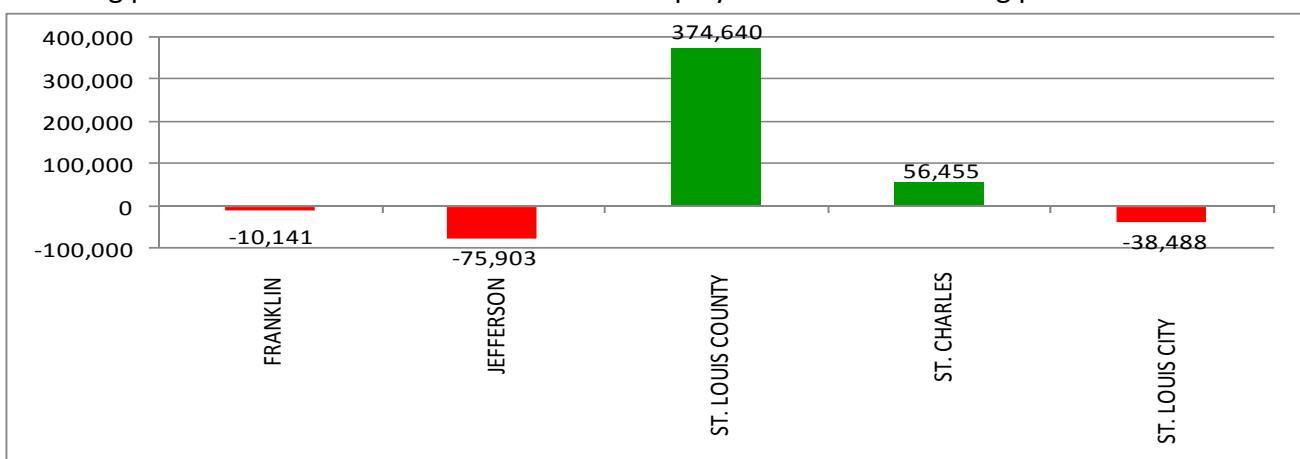
The average sales tax rate for Missouri is 5.72%. All the counties in the St. Louis region have a retail sales tax rate above the state average.

RETAIL TRADE ANALYSIS

Commuting Patterns of Retail Customers

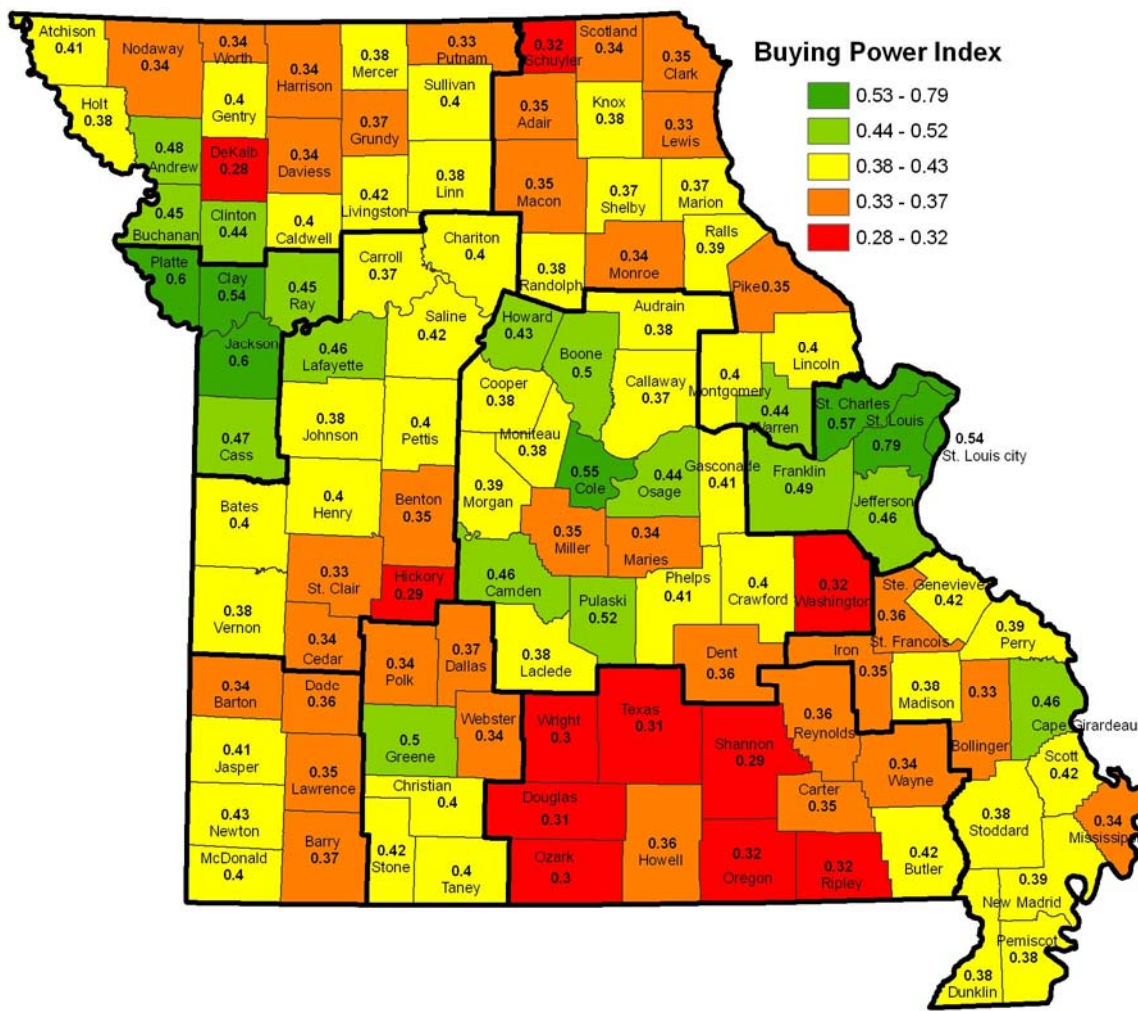


Retail customers travel across county borders to purchase goods and services. The map above illustrates the number of retail customers either coming in to a county or leaving a county for retail purchases. In the St. Louis region as shown in the graph below, St. Louis County and St. Charles displayed a net in-commuting pattern whereas all the other counties display a net out-commuting pattern.



RETAIL TRADE ANALYSIS

Buying Power Index



The buying power index is a measure of the capability of the retail customers living in that county to buy retail goods. The higher the index, the greater the ability to buy retail goods and support retail activity in the region. In St. Louis region, the buying power of retail customers in St. Louis County, St. Charles, St. Louis City, Franklin and Jefferson is relatively higher.

The buying power index is calculated by the following equation:

$$\text{BPI} = \frac{(2 * \text{Population \%}) + (3 * \text{Retail Sales \%}) + (5 * \text{Per capita income \%})}{10 \text{ (sum of the weights)}}$$

Where Population % is the percentage of county population to that of the State of Missouri.

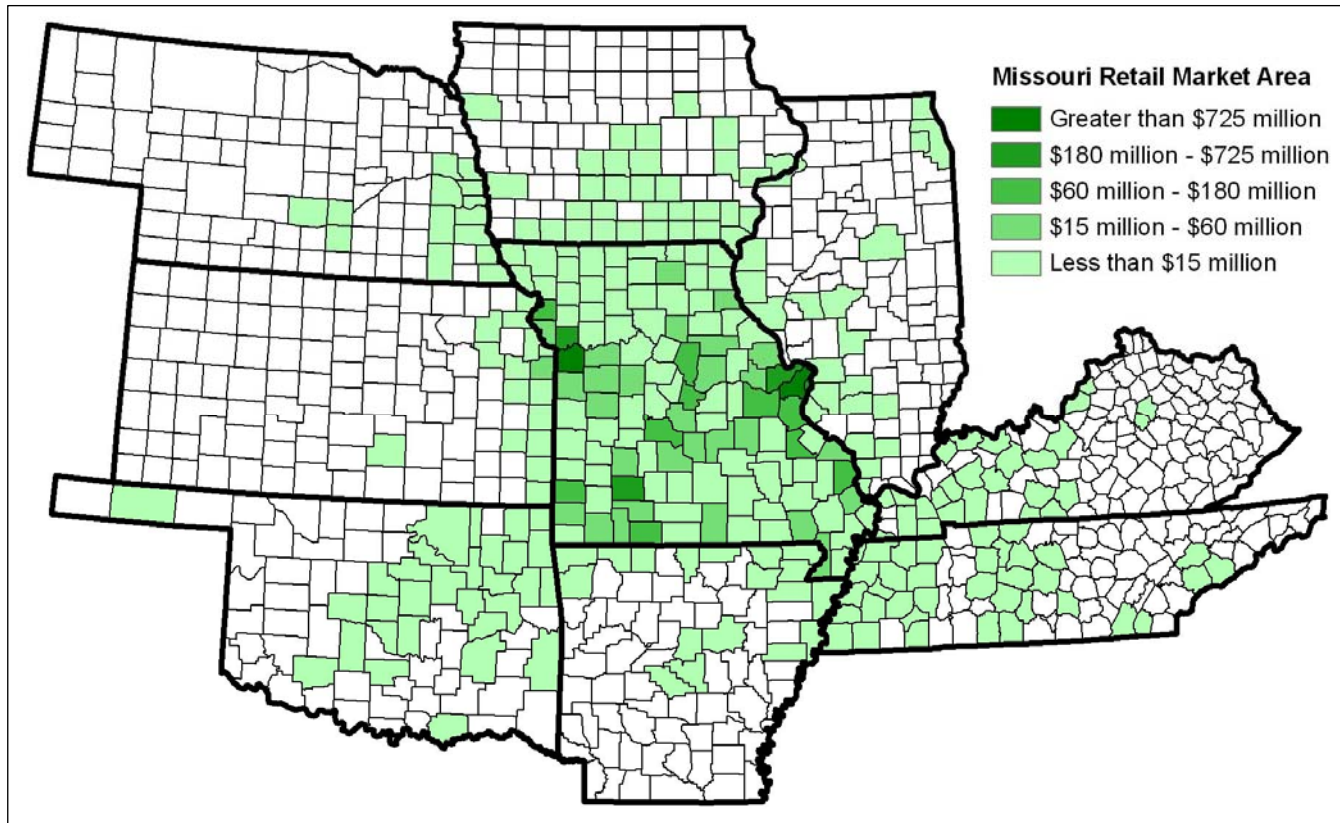
Retail Sales % is the percentage of retail sales in the county to that of the State of Missouri.

Per capita income % is the percentage of per capita income in the county to that of the State of Missouri

RETAIL TRADE ANALYSIS

Retail Market Area

Missouri Retail Market Area



Source: Minnesota IMPLAN Group, Commodity Trade Flows, 2006.

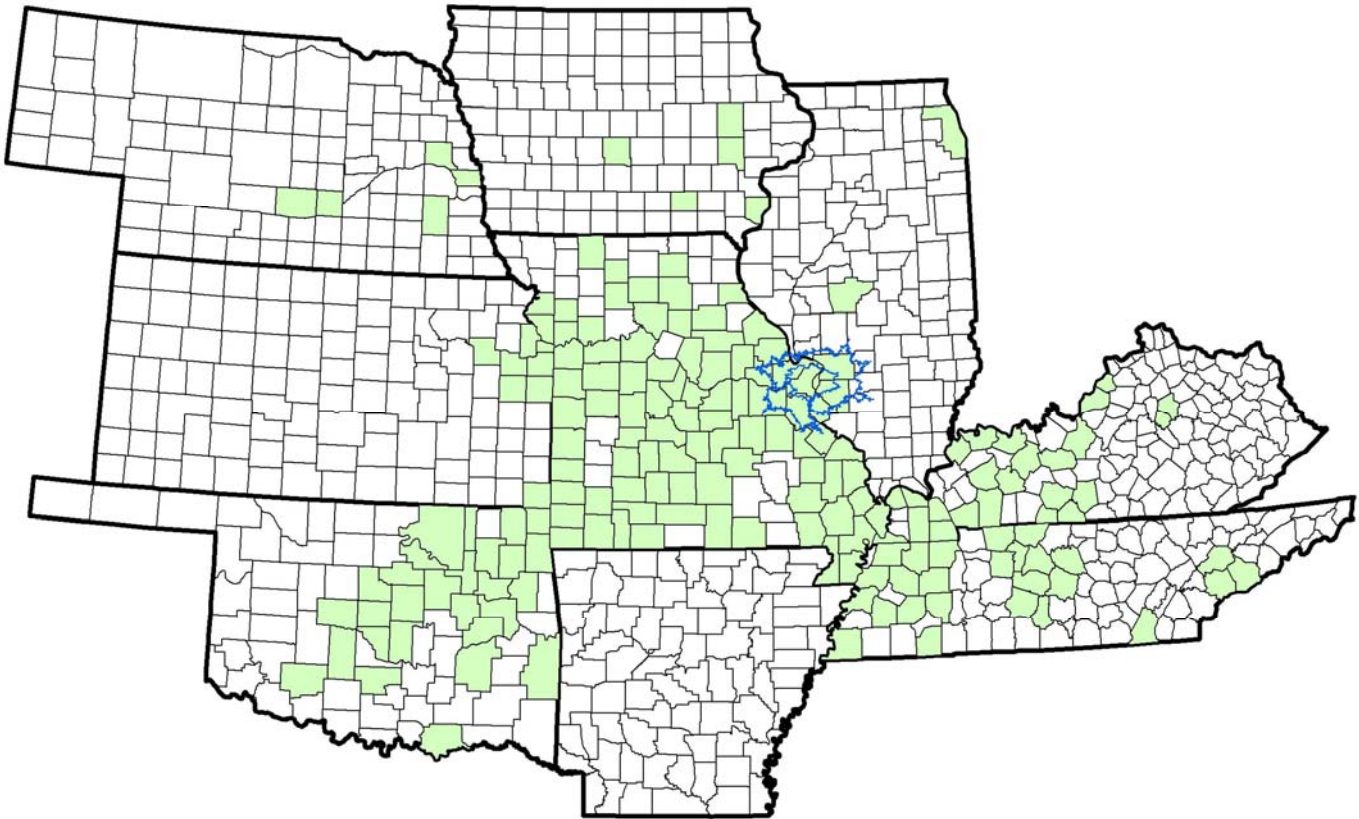
The map above shows the Missouri retail market area from which retail stores and consumers purchase apparel, furniture, general merchandise and miscellaneous retail goods.

In 2007, Missouri retail customers purchased over \$5.8 billion in apparel, furniture, general merchandise and miscellaneous retail goods. The Missouri retail market includes all of Missouri and extends to all surrounding states. The volume and value of purchases by major metropolitan areas like Kansas City, St. Louis, Springfield, and St. Joseph were relatively higher than the rest of Missouri.

While the market area for general merchandise and miscellaneous retail was relatively widespread, the market area for apparel and furniture was relatively limited.

Within the St. Louis region, a majority of Missouri retail goods were purchased by retail stores and consumers in St. Louis County, St. Charles, St. Louis City, Jefferson and Franklin Counties.

St. Louis County Retail Market Area



Source: Minnesota IMPLAN Group, Commodity Trade Flows, 2006.

St. Louis County has the highest pull factor in the St. Louis region. The map above shows the retail market area for St. Louis County from which retail customers and stores purchase apparel, furniture, general merchandise and miscellaneous retail goods.

In 2007, St. Louis County retail customers predominantly resided in St. Louis County, St. Louis City, St. Charles, Warren, Franklin, Jefferson, Lincoln, St. Francois and Ste. Genevieve Counties. The blue boundary indicates the local market from which customers purchase retail goods and services within an hour of driving distance from Clayton.

